



DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY
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WASHINGTON, D.C. 20350-1000

June 27, 2003

MEMORANDUM FOR DISTRIBUTION

Subj: INTERNAL CONTROL PLAN FOR MANAGEMENT OF THE DEPARTMENT OF THE NAVY 2005 BASE REALIGNMENT AND CLOSURE (BRAC) PROCESS
POLICY ADVISORY TWO

Ref: (a) Defense Base Closure and Realignment Act of 1990
(Sections 2901-2914 of P.L. 101-510, as amended)
(b) SECDEF memo of 15 Nov 02; Subj: Transformation Through
Base Realignment and Closure
(c) USD(AT&L) memo of 16 Apr 03; Subj: Transformation
Through Base Realignment and Closure (BRAC 2005)
Policy Memorandum One - Policy, Responsibilities, and
Procedures
(d) SECNAV memo of 25 Nov 02; Subj: Base Realignment and
Closure (BRAC) 2005
(e) SECNAV memo of 29 May 03; Subj: Base Realignment and
Closure (BRAC) 2005 - Policy Advisory One

Encl: (1) DON Procedures for Certification of BRAC 2005
Information
(2) Non-Disclosure Agreement

1. Purpose. This memorandum describes the management controls that will guide and regulate the Department of the Navy's (DON's) actions to comply with the FY 2005 requirements of reference (a) (the Act), as implemented by references (b) through (e).

2. Background. The objective of the 2005 Base Realignment and Closure (BRAC 2005) process is to allow the Secretary of Defense (SECDEF) to recommend military installations for closure and realignment on the basis of the FY 2005 Force Structure Plan and the selection criteria promulgated by the Office of the Secretary of Defense (OSD). All military installations inside the United States (and its territories and possessions) must be considered equally, without regard to whether the installation has been previously considered or proposed for closure or realignment by the Department. Under the Act, SECDEF must include with his recommendations a summary of the selection process that resulted in the recommendation for each installation and a justification for each recommendation, as

well as certification of the accuracy and completeness of the information upon which the recommendation is based. Per reference (c), Department of Defense (DoD) Components are required to develop detailed record keeping procedures, which will satisfy the information and justification requirements levied upon SECDEF by the Act. Additionally, DoD Components must develop and implement an Internal Control Plan (ICP) to ensure BRAC analysis and recommendations are based on accurate and complete data, and that the process is properly documented and auditable.

3. Internal Control Mechanisms. The objective of the internal control mechanisms employed by DON is to ensure the accuracy, completeness, and integrity of the information upon which the Secretary of the Navy's (SECNAV's) recommendations for closure and realignment will be based. The two principal mechanisms are organization and documentation.

a. Organization Controls. Under the oversight and guidance of SECNAV, there are three organizations within the DON that have primary responsibilities for the BRAC 2005 process: the Infrastructure Evaluation Group (IEG), the Infrastructure Analysis Team (IAT), and the Functional Advisory Board (FAB). The Naval Audit Service (NAVAUDSVC) has a representative that serves as technical advisor to the IEG, IAT, and FAB. This representative will not be involved in the independent audits of the DON BRAC 2005 process conducted by NAVAUDSVC. The specific responsibilities of these organizations for ensuring internal control requirements are met are as follows:

(1) IEG. The IEG is the sole deliberative body for the DON BRAC 2005 process and will be responsible for developing recommendations for closure and realignment of DON military installations and ensuring that operational factors of concern to the operational commanders are considered. In consultation with the Chief of Naval Operations and the Commandant of the Marine Corps, the IEG will prepare recommendations for SECNAV's approval and transmittal to SECDEF.

(2) IAT. The IAT is a subordinate organization under the control of the IEG and will be responsible for developing analytical methodologies, developing joint and cross-servicing opportunities in support of the Joint Cross Service Groups (JCSGs) and with the other Military Departments, collecting data and performing analyses, and presenting the analytical results to the IEG for evaluation.

(3) FAB. The FAB, comprised of the Navy and Marine Corps members of the six OSD-chartered JCSGs, is responsible for ensuring DON leadership is thoroughly briefed and prepared on JCSG matters that will ultimately be addressed to the Infrastructure Executive Council (IEC). The Deputy Assistant Secretary of the Navy (Infrastructure Analysis), DASN (IA) will facilitate FAB issues and support with the IEG and IAT. The FAB reports directly to and coordinates with the IEG in order that the DON position on common business oriented support functions is clearly articulated and understood. The FAB will provide a mechanism to ensure our Navy and Marine Corps vision of the future, based on the Force Structure Plan, is clearly articulated, understood and supported throughout the DON BRAC 2005 process.

(4) NAVAUDSVC. A senior NAVAUDSVC representative will play an integral part in the DON BRAC 2005 process by providing technical advice to the IEG, IAT, and FAB and by independently informing the IEG and senior DON officials, as appropriate, of significant issues regarding implementation of this ICP. This representative will be assigned full time to, and in residence with, the IAT. Separately, NAVAUDSVC will perform an independent audit of the DON BRAC 2005 process, will review the supporting processes, data and documentation used to develop the Base Structure Data Base (BSDB), and will issue periodic audit reports containing the results of these reviews. Further, the NAVAUDSVC will conduct periodic audits to verify whether DON is in substantial compliance with the certification policy set out in the references. NAVAUDSVC will ensure audit standards are met and will advise the IEG and other senior DON officials of any significant issues identified during the independent audit. The NAVAUDSVC representative assigned to the IEG, IAT, and FAB will not be involved in the independent audits conducted by NAVAUDSVC.

b. Documentation Controls. All significant events in the DON BRAC 2005 process will be promptly recorded and clearly documented to ensure the accuracy and completeness of information used by the IEG in performing evaluations of DON military installations. The following elements will be strictly adhered to:

(1) BSDB. The BSDB will be the sole and authoritative DON database for making base closure and realignment recommendations. The BSDB will contain all relevant data and

information, from whatever source, pertaining to all DON military installations subject to the Act, to include data elements required by the Cost of Base Realignment Actions (COBRA) model. Specific procedures will be promulgated for development and maintenance of the BSDB. Elements included in the database must have been certified in accordance with enclosure (1), and will be subject to NAVAUDSVC source validity checks and data accuracy assessments. For any information/data that is derived from an authoritative source external to DoD, e.g., a Federal, state, or local government agency, the document, which includes the certification, shall identify the source and provide adequate justification for relying on the source, to include determination of the source's accuracy by the audit community.

(2) Data Collection. Information used for BRAC 2005 analyses and/or decision making will be obtained only from the Military Departments and the Defense Agencies by means of electronic and/or hard copy information requests. DON activities will use the internal control mechanisms outlined in this document for collecting requested information and ensuring such information is accurate and complete. Only certified information will be used to develop DON BRAC 2005 recommendations.

(3) Certification. Section 2903(c)(5) of reference (a) requires that the information used to develop and make closure and realignment recommendations submitted to SECDEF and/or the 2005 Defense Base Closure and Realignment Commission must be certified as accurate and complete to the best of the certifier's knowledge and belief. Enclosure (1) contains the DON policy and procedures to comply with this requirement. Any data file forwarded to the JCSGs by DON personnel must be certified. Only certified information and data may be used in the deliberative process to develop BRAC 2005 recommendations.

(4) Record Keeping. Reference (a) requires DoD Components participating in the BRAC 2005 analysis process to develop and keep: descriptions of how base closure and realignment policies, analyses and recommendations will be made, including minutes of all deliberative meetings; all policy, data information, and analyses considered in making base closure and realignment recommendations; descriptions of how recommendations met the final selection criteria and were based on the final Force Structure Plan and infrastructure inventory; and documentation for each recommendation to the Secretary to close or realign a

military installation under the law. All documents or electronic data files forwarded from other sources, generated for the BRAC 2005 process and used for analyses, and all other documents that relate to the BRAC 2005 process will be maintained in a repository with controlled access. Minutes will be prepared and maintained of all deliberative meetings which are part of the decision making process (e.g., all meetings of the IEG) in arriving at recommendations for base closure and realignment to be forwarded to SECNAV for his consideration. A record will be maintained of attendees, provide a synopsis of items discussed, and include all decisions and recommendations. Records of non-deliberative meetings are not required.

(5) Oral Briefings. From time to time, the IEG may receive formal and informal briefings from persons both in and out of the Federal government. If the IEG considers any such briefing includes relevant and useful information or data, before such information or data can be entered into the BSDB, the IEG must either (i) require the presenter (if a DON employee) to reduce such information or data to writing, or (ii) request the appropriate DON organization to replicate such information or data. In both cases, the certification required by reference (a) applies. All briefings slides and electronic presentations will be attached to the minutes recorded for the meeting.

(6) Outside Studies. During the BRAC 2005 process, studies and reports that originate outside the process may be brought to the attention of the IEG, the IAT, or the FAB. While these studies may be useful in developing policies and/or suggesting methods for making measurements or evaluations, no data from such studies or reports may be accepted for inclusion in the BSDB, unless such data is independently validated and certified in accordance with these procedures.

(7) Community Requests. Notices from local governments in the vicinity of an installation that it would approve of the closure or realignment of such installation will be controlled and documented as required by Section 2914(b)(2) of reference (a). Responses to these representations will be recorded, as well as a description of the disposition of any information submitted.

(8) Technical Experts. Technical experts will be utilized to support both the development and/or refinement of IAT analytical efforts and the deliberative process of the IEG. When technical experts provide information or data that the IEG

considers relevant and appropriate for consideration during their deliberations, the technical experts shall be requested to submit that information or data in writing with the required certification, so that it may be included in the BSDB. The technical experts will be briefed on the sensitivity of DON BRAC 2005 data.

(9) Non-Disclosure Agreement. Each IEG, IAT and FAB member will sign a BRAC 2005 Non-Disclosure Agreement contained in enclosure (2). Additionally, all other individuals working within the process or providing support to the process (including technical experts) will be required to sign Non-Disclosure Agreements. For NAVAUDSVC personnel performing the audit of the DON BRAC 2005 process and who are required to sign the Non-Disclosure Agreement, nothing in the Non-Disclosure Agreement shall be construed to restrict or prevent NAVAUDSVC from fulfilling its responsibilities under SECNAV Instruction 7510.7E.

4. Access to DON BRAC 2005 Information. SECNAV established the DON BRAC 2005 process, as enunciated in reference (d), as the only valid means for developing recommendations for closing and realigning DON installations. To protect the integrity of the DON BRAC 2005 process, all files, data and materials relating to that process are deemed deliberative and internal to DON. All requests for release of DON BRAC 2005 files, data and materials, including those under the Freedom of Information Act, received prior to the SECDEF forwarding his closure and realignment recommendations to the Defense Base Closure and Realignment Commission shall be forwarded to the Deputy Assistant Secretary of the Navy (Infrastructure Analysis) for action. All DON BRAC 2005 documents, including electronic media, will have the following statements either as a header or footer, as appropriate:

*Draft Deliberative Document - For Discussion Purposes Only
Do Not Release Under FOIA*

Or

*Deliberative Document - For Discussion Purposes Only
Do Not Release Under FOIA*

5. Audit Access to Records. Full and open access to the DON BRAC 2005 process and data will be granted to NAVAUDSVC, Inspector General DOD, and General Accounting Office. The NAVAUDSVC will

coordinate the General Accounting Office and the Inspector General DOD audit and review efforts to avoid any duplication.

6. Responsibilities. The IEG, the IAT, the FAB, and the NAVAUDSVC will execute their responsibilities consistent with the provisions of references (d) and (e).

7. Implementation. This ICP is effective immediately and will be updated as necessary to enhance the level of management control needed to achieve the desired results of the references.



H. T. JOHNSON
Chair,
Infrastructure Evaluation Group

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N096, only)

DEPARTMENT OF THE NAVY PROCEDURES FOR CERTIFICATION OF
BRAC 2005 INFORMATION

1. Purpose. Under the Defense Base Closure and Realignment Act of 1990, as amended, the Secretary of the Navy is required to certify that information provided to the Secretary of Defense concerning the realignment or closure of a military installation "is accurate and complete to the best of his knowledge and belief." As a basis for the certification by the Secretary of the Navy, individuals who provide information as part of the 2005 Base Realignment and Closure (BRAC 2005) process will be required to certify as to the accuracy and completeness of such information.

2. Requirement. Every officer or employee of the Department of the Navy, uniformed and civilian, who provides information for use in the BRAC 2005 process shall be required to provide therewith a signed certification as follows:

"I certify that the information contained herein is accurate and complete to the best of my knowledge and belief."

The signing of such a certification shall constitute a representation that the certifying official has reviewed the information and either (1) personally vouches for its accuracy and completeness or (2) has possession of, and is relying upon, a certification executed by a competent subordinate.

In accordance with these procedures, absent certification from the point of origin of data through the chain of command, no information provided for use in the BRAC 2005 process shall become part of the Base Structure Data Base (BSDB) or be relied upon by the Infrastructure Evaluation Group (IEG) for analysis or evaluation.

3. Procedures. When information is forwarded to the next higher level in the chain of command, the transmittal document will contain a certification signed by the individual transmitting such information. Each succeeding level of the chain of command shall maintain a copy of the information transmitted and any certification received from subordinates.

a. Activities Generating Information. A certification will be executed by both the individual responsible for generating the information and by the head of the organization, in which such

individual is employed (e.g., a commanding officer of a Navy or Marine Corps activity). Records shall be retained to show the source of the information provided in all certified responses.

b. Changes to Information. To the extent a higher echelon believes different data are more responsive to a particular data call, such data can be revised after receipt from the subordinate activity and prior to forwarding the final response to the IEG. Any revisions to certified data must be supported with official documentation retained by the echelon making such revisions. Records retained to document a revised data call response must, at a minimum, include a copy of the data call submitted as certified by a lower echelon activity with revisions clearly noted. A copy of the revised data call, annotating any changes made, shall be sent to the originator of the data, so that subordinates have a complete record of the final certified package.

c. Major Claimants. A certification will be executed by the commander of a major claimant for information provided by the claimant.

d. Headquarters. A certification will be executed by any Assistant Chief of Naval Operations (ACNO), Deputy Chief of Naval Operations (DCNO), or Deputy Commandant (DC) whose office provided information for use in the BRAC 2005 process.

e. Infrastructure Analysis Team (IAT). The Deputy Assistant Secretary of the Navy (Infrastructure Analysis)/Director, IAT will execute a certification with regard to the BSDB.

f. Infrastructure Evaluation Group (IEG). All members of the IEG will execute a certification with regard to information provided to the Secretary of the Navy.

4. Naval Audit Service. The Naval Audit Service will conduct periodic audits to verify whether the Department of the Navy is in substantial compliance with this certification process.

5. Guidance. Questions concerning this certification requirement should be directed to the Office of the Assistant General Counsel (Installations and Environment) at 703-614-1097 (DSN 224-1097) (fax number 703-614-1149).

Non-Disclosure Agreement

My duties include work assignments and responsibilities in which I may acquire personal knowledge of or access to information concerning the development of recommendations relating to potential closure or realignment of military installations in the Base Realignment and Closure (BRAC) 2005 process. I understand and agree that it is my duty and obligation to comply with the provisions of the agreement respecting such information, and that my violation of this agreement may result in disciplinary action.

1. I understand that the development of any BRAC 2005 information, written or oral, pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, is an official, sensitive, and deliberative process. "Written" information includes all electronic and hard copy forms of communication. I further understand that the development of such information is not limited to final documents or products, but also includes all draft and feeder documents, briefings and notes, as well as any other related oral or written communication.
2. The public and all levels of federal, state, and local government have a right to expect and trust that the BRAC 2005 process will be conducted objectively and impartially. Any unauthorized disclosure of BRAC information undermines that expectation and trust and is therefore prohibited. Unauthorized disclosures may also constitute a violation of law and Department of Defense or Military Department directives, regulations, instructions, policies, or guidance. I promise not to disclose any BRAC information, except as specifically authorized.
3. I further understand that any document or any other written communication, whether draft or final, is the official property and record of the Department of Defense and shall be retained, disseminated, released, and destroyed in accordance with requirements of law and applicable Department of Defense or Military Department directives, regulations, instructions, policies or guidance.
4. I understand that the provision of this agreement bind me personally until the Secretary of Defense transmits BRAC 2005 recommendations to the Commission and Congress even if I am reassigned to other duties or stations, retire, or

otherwise cease employment with any contractor, agency, or other relationship or association with the Department of Defense.

Signature

Date